

OVERCOMING OBJECTIONS TO DI INSURANCE

Have you ever had clients or prospects who claim they don't need Disability Income (DI) insurance coverage because they have options that are better than insurance? Did they claim that they could live on one of their dual incomes? Did they claim that they could use savings? Did they say they have DI insurance through work? Did they question the need? How do you respond to such statements? Let's review some responses you can use to show the real need for DI insurance coverage.

Sales Idea: The idea is to be armed with responses to common objections that will come up as you review a client's or prospect's need for DI insurance.

Objection #1: My spouse and I could survive a period of disability by using the income of the working spouse.

Your response: I understand your thoughts. Let's look at this and see if it really addresses your needs. As we reviewed your current financial picture with our fact-finder, you indicated that it is very difficult to increase your savings and you doubt this is going to change in the foreseeable future. I am trying to see how your family's financial situation would allow you to live without one of the incomes you currently depend on to pay your bills. The loss of one of the incomes would be devastating.

Objection #2: Our family could survive on our savings.

Your response: That is a good approach for the short-term. In fact, I recommend that option to most of my clients, along with any employer-provided sick days or Paid Time Off (PTO). Many of my clients have some savings. However, in most cases, what has taken years to accumulate could be wiped out in weeks or a few months. To protect you and your family against a disability that lasts more than 90 days, your best option is a personal DI insurance policy that is tailored to meet your specific needs.

Objection #3: I have DI insurance through work.

Your response: That is great. Can you please get me a copy of your employer's Short-Term Disability (STD) or Long-Term Disability (LTD) booklet and any information on the sick-pay or PTO plan you have through work? I often find that my clients do not have a full understanding of their plans. I will review the documents and ensure that any shortcomings are disclosed. If the need exists, I can show you cost affordable options that you may want to consider.

Objection #4: It is too expensive.

Your response: I can understand your thoughts and want to assure you that my intention is to review your needs and recommend a DI insurance policy only if it is needed. We can design a plan that provides the maximum amount of coverage while keeping in mind your budget.

Objection #5: Why do I need this coverage?

Your response: You may not realize how many Americans lose their homes and all their savings due to disability. 71% of American employees live from paycheck to paycheck¹. Over 70% of working Americans do not have enough savings to meet short-term emergencies². Additionally, half of working Americans couldn't make it a month before financial difficulties set in; and more than one in four would have problems immediately³.

How to use this sales idea with your client or prospect: Following a discussion with your client or prospect about his/her financial situation and current coverage, either through work or other sources, you are now able to review the situation. This is when you may have one or more objections from your client or prospect. Remember, objections are normal and necessary. The prospect is trying to determine your credibility and see if you really care about him/her. True objections allow you to demonstrate your knowledge and concern for his/her well-being.

Sales Potential: The term 'selling' misstates the process of working through your clients' objections. Healthy objections force you to know your product, its uses and your clients' insurance gaps and needs. If your clients have no questions, I suggest you actually provide an objection or two to get a conversation started. Being flexible on the coverage amount, elimination and benefit periods, riders and cost engages your clients and allows them to feel part of the plan design and have some ownership of the final product.

Sales Tools:

Designing an Income Protection Plan Brochure
It Won't Happen to Me Claims Flyer

What Would You Do Without Your Income Client Brochure

For more information on overcoming objections from your clients and how to apply them into your daily sales, **contact your Agency/Brokerage Manager or your Ameritas Sales Development Team at (800) 319-6903.**

1. Source: American Payroll Association, "Getting Paid in America" Survey, 2008

2. Source: National Investment Watch Survey, AG Edwards, Inc. 2004

3. Source: The Disability Survey conducted by Kelton Research on behalf of the LIFE Foundation, April 2009.



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